

~~CONFIDENTIAL~~

The Director of Central Intelligence

Washington, D.C. 20505

NIC 00787-88

29 February 1988

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Acting Chairman, National Intelligence Council

FROM: Deane E. Hoffmann
National Intelligence Officer for Economics

SUBJECT: Pre-coordination Draft of National Intelligence Estimate
NIE 41-88, Japan: Forces for Economic Change

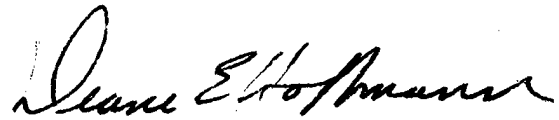
1. Attached for your review is the pre-coordination draft of the captioned Estimate. The principal drafter is [] of the National Intelligence Council's Analytic Group.

25X1

2. We incorporated the comments of the Senior Review Panel as follows:

- The prominence of the Maekawa Commission recommendations for economic restructuring were played down relative to the focus on the impact of the appreciation of the yen. The report is, however, important in providing a basis around which the Japanese can begin building a consensus for domestic policy changes.
- The SRP's suggestion that we highlight the forces opposing change is excellent. We combined the paragraphs that address these opposing forces into a section entitled Resistance to Change. In this section we also note that the consensual nature of Japanese society acts as a force to moderate change.
- To incorporate the SRP's other suggestions, a reference to the friction between the European Community and Japan on trade issues was added; and we included the preferred Japanese term (the Northern Territories) in addressing the issue of the territorial dispute between Japan and the Soviet Union.

3. This Estimate is scheduled for coordination on 28 March and should be ready for NFIB consideration early in April.



Deane E. Hoffmann

Attachment: As stated

~~CONFIDENTIAL~~

25X1

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Pre-coordination Draft of National Intelligence Estimate
NIE 41-88, Japan: Forces for Economic Change

FROM:

Deane E. Hoffmann
NIO/Economics

EXTENSION

NO.

NIC 00787-88

DATE

29 February 1988

STAT

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

PO/NIC

1
MAR

sl

Coordination meeting is
scheduled for 28 March.

2.

VC/NIC

1 March

D.E.

3.

AC/NIC

1 Mar 2 Mar

H

4.

PO/NIC

2
MAR

sl

5.

Executive Registry

2 MAR 1988

Bap

6.

SA/DCI

3/3

3/3

MM

7.

DDCI

4 Mar

J.

8.

DCI

9.

PO/NIC

7/3

7/3

M

10.

NIO/ECON

11.

12.

13.

14.

15.

DCI
EXEC
REG